FURTHER SUPPLEMENTARY RETURN

(116b)

Further Supplementary Return to an Address of the House of Commons, dated 11th May, 1903, for copies of all Orders in Council, memorials, letters, telegrams and other correspondence, and all other documents and communications in writing, between the first day of January, 1897, and the first day of May, 1903, relating to or concerning, or in any way having reference to the granting of provincial autonomy to the North-West Territories, or the creation of the said Territories into a Province, or Provinces.

R. W. SCOTT,
Secretary of State.

(Telegram.)

Regina, August 10, 1901.

Hon. CLIFFORD SIFTON,

Gananoque.

Could you fix approximately date of conference? Want to make some appointments, and will save trouble if we know about date.

ARTHUR L. SIFTON.

(Telegram.)

Gananoque, August 14, 1901.

Hon. A. L. SIFTON, . Rowin

Regina,

I think about the first week in October.

CLIFFORD SIFTON.

(Telegram.)

REGINA, March 15, 1902.

Right Hon. Sir W. LAURIER,

Ottawa.

Legislature opens Thursday. Important that we should know nature of reply to letter of December 7 for reference in speech. Will you kindly have summary wired if possible?

F. W. G. HAULTAIN

(Telegram.)

OTTAWA, March 18, 1902.

Hon. F. W. G. HAULTAIN,

Regina.

No answer can be sent until return of Minister of Interior, who is absent through illness.

WILFRID LAURIER.

Regina, December 17, 1902.

Hon. CLIFFORD SIFTON,

Minister of the Interior,

Ottawa, Ont.

SIR,—I have the honour to submit herewith a statement of the amounts estimated to be required for expenditure by the government of the Territories during the calendar year 1903, supported by brief explanations of the nature of the public services to which it is proposed to apply the moneys when appropriated. These amounts are as follows:—

Civil government	\$ 80,000	00
Legislation	45,000	00
Administration of justice and ordinances	20,000	00
Public Works	400,000	00
Education	250,000	00
Agriculture and statistics	50,000	00
Hospitals, charities and public health	25,000	00
Miscellaneous services not grouped above	10,000	00
	0000 000	00

\$880,000 00

In addition to public necessities calling for immediate attention which will require expenditures aggregating, at a most moderate computation, the sum of \$880,000, the government of the Territories has also to make provision for meeting a deficit upon the current year's work amounting to \$250,000. The moiety of the parliamentary appropriation for the year 1902-3 falling due on January 1 next will be applied to meet this deficit, so that the necessity for asking parliament to supplement its appropriation for 'Government of the North-west Territories' for the current Dominion fiscal year, in order that funds may be provided whereby the government of the Territories can carry on the public affairs entrusted to it, is earnestly impressed upon you. The deficit above referred to was entirely created by the extraordinary climatic conditions which prevailed in every part of the Territories during the months of May, June and July last, when no less than 140 bridges, large and small, were carried away and destroyed by floods. The exceptional rainfall reported several times to have amounted to over 3½ inches in the course of one storm in various portions of the west was the prime cause of great destruction to public and private property. You are probably aware that the Dominion Public Works Department is now making arrangements to replace two large and valuable bridges near the towns of Lethbridge and Macleod, which works that department estimates will cost in the neighbourhood of \$90,000. It is true that these are the largest and most expensive bridges that were affected by the floods this year, but it is submitted that the mere fact that 140 bridges were destroyed, and replaced wherever possible, is sufficient warrant in itself for calling upon the Dominion government to view the financial position of the Territories in a more favourable light than has hitherto obtained.

The principal items in the above estimates are those for public works (\$400,000) and education (\$250,000). Public works in the Territories almost entirely consist of

such as are calculated to remove transportation difficulties, most commonly by the construction of roads and bridges. The work is entirely colonization work, and is necessitated by the rapid increase in the population of the Territories. The attention of the Dominion government has on several occasions been directed to the fact that the people who are now coming to the North-west are not locating in the neighbourhood of settlements already in existence, but in almost every case each new comer seeks to become the pioneer settler in a future prosperous settlement. The extensive areas suitable for settlement, and which are attracting settlers to every part of the west, renders the work of the local government peculiarly difficult. People are coming to the country in a constant stream, and continually opening up new districts. The extended areas over which they spread themselves necessarily keeps population sparse, and will do so for some years to come, a condition effectually preventing the inauguration of a system of municipal organization such as is common in other portions of the Dominion. By the adoption of a system, centralized for all practical administrative purposes at the seat of the government, the settlers and owners of land in the Territories are contributing largely to the cost of public works in the country, which contribution is expended irrespective of the amount included in the above estimate. Taking everything into consideration, the Territorial government considers that it has gone as far as it is proper and advisable to go in the direction of taxation at present, and it can only look to the Dominion for the funds necessary to solve the public problems. It is entirely owing to the energetic and successful work of the immigration branch of the Interior Department that the tide of immigration is now settling towards our country. If the statement once attributed to a Dominion statesman that each new settler increases the capital of Canada one thousand dollars is true, it is the Dominion that is benefiting by the present extraordinary influx of population. The Territorial government, under existing conditions, certainly is not. There are only two sources of revenue open to the Territorial government, namely, grants from Dominion funds, and direct taxation. If the money estimated to be required is not spent in the manner indicated, a dissatisfied people will be the result. A similar result may be anticipated from any effort to raise the funds required by further taxation, besides which such a course of procedure could not be justified. To make the people now in the country pay for the development of the rest of the Territories, in which they are not particularly interested, is not calculated to create feelings of contentment. These people are being induced to come to the Territories by federal officials in the interests of the Dominion at large, while the onus of providing for their welfare is thrown upon the local government. The North-west Territories Act does not give the legislative assembly any power to adopt the procedure followed by the provinces in order to provide for the immediate public necessities at the cost of the future population, which will derive most benefit from the results of the expenditure, and so there does not appear to be any other course open to the government of the Territories than to request the Dominion government to furnish the necessary funds to meet the expenditures demanded by the conditions which it has created in the west.

With respect to the subject of education, very similar remarks might be made. The Territories have not yet emerged from pioneer conditions, and if the people are not financially assisted it would be almost impossible for them to maintain schools in many districts where at present children are receiving an education suited to their requirements. It is not thought necessary to attempt to establish the proposition that with our conglomerate population the duty devolving upon the state of providing a liberal education for our children is imperative. Owing to the restriction in the finances of the Territories the government was this year compelled to reduce the assistance formerly given to schools, but owing to the rapid increase in the number of the schools due to the increase of population the gross expenditure is steadily increasing. In 1901, 682 grant earning school departments received government assistance averaging \$272.72 each, or a total of \$185,721.56. In 1902, 800 similar departments will receive assistance at present estimated at \$230 in each case, making a total of \$184,000,

In 1903, present indications are that 950 departments will be in existence, calling for an expenditure, at the rate of \$230 each, of \$218,000. We have besides to provide for expenditure for the purpose of educating a number of deaf-mute children at present being cared for in the institution maintained by the Manitoba government. In addition to the expenditure actually made to assist in the provision of means of education (which is only supplementary to a much larger expenditure directly provided for by the people themselves) the increase in the number of schools is urgently calling for a corresponding increase in the number of inspectors, and the demand for teachers has rendered it necessary to hold two normal sessions each year instead of one as hitherto. So that it will be readily seen that the estimate of \$250,000 for government expenditure upon education is a close approximation of probable requirements.

The other items forming the estimates call for little or no comment. They are based upon the present rate of expenditure upon the several services indicated. The cost of these services and the amount of work performed is all keeping pace with the

increase in population.

I have therefore to ask that arrangements may be made by which parliament will appropriate at least the sum of \$440,000 supplementary to the grant for 1902-3, and will also provide for a grant of \$880,000 for the year 1903-4, so that provision may be made for carrying on the public service during the year 1903 upon the basis estimated to be required.

A. L. SIFTON,

Territorial Treasurer.

EXECUTIVE COUNCIL,
REGINA, January 31, 1903.

Hon. CLIFFORD SIFTON,
Minister of the Interior,
Ottawa, Ont.

At various times during the past year whilst I was in England one or other of my colleagues in the Territorial government discussed territorial questions with you, and on my return I met you in Ottawa with Mr. A. L. Sifton for the same purpose. More recently I had an opportunity of discussing these questions at some length with you in Regina, and I have also read a report of a speech made by you here in which you gave expression to your views upon the same subjects. As parliament will be meeting at an early date, I think it will bring these matters to a definite issue.

I agree to the fullest extent with all that has been—or can be—said respecting the advantage to the Territories to be gained by the introduction into the Dominion government of a gentleman so well versed in all our affairs as is my friend Mr. Ross, to whom, it is generally understood, your references in that connection are made, as your united influence should have a marked and beneficial effect upon the destinies of this part of Canada. I must, however, say that I have heard and read with great concern your opinion to the effect that it is desirable to postpone action upon the memorial of the Legislative Assembly of May 2, 1900, and the claims of the Territories founded thereon. The necessities are so urgent and the movement in favour of provincial institutions is so unanimous, that I should like, if possible, to convey to your mind an adequate appreciation of the significance of the movement, and of the unfortunate effect which its neglect or suppression will have upon the North-west. You are reported in the Regina Leader of the twenty-second instant, as having stated in a meeting of your friends here that—

'. . . a very cursory and elementary discussion and consideration of the subject would show that there were a great many difficulties, a great many important questions, to be dealt with when the subject is before the Federal parliament. . . . It was not a very vital point whether the Territories were formed into a province this

year or next year; but it was vital as to what the terms were on which the constitution was framed. . . . '

Further on in the report it is stated that you said that you—

. . . had impressed upon Mr. Haultain that what was of importance was that when the terms were settled they should commend themselves to the great majority of the people, and that the terms should be loyally supported, and not lead to agitation year after year for other terms.

Whilst what you say requesting terms is very true, I cannot agree with what you are reported as having said respecting the time at which provincial institutions should be introduced into this section of the Dominion. Time—an early time, the earliest time—is of the essence of this contract, and it is our opinion that the best time is the present. Without entering into any further argument on that point here, I must say that it does not seem to me that sufficient justification for postponing the consideration and settlement of the questions involved in the provincial question—which would appear to be the present general attitude of the Federal government—has been established. I have before me your letter of March 27, 1902, in which it is stated that—

'It is the view of the (Dominion) government that it will not be wise at the present time to pass legislation forming the North-west Territories into a province or provinces.'

Your letter goes on to say:

'Some of the reasons leading to this view may be found in the fact that the population of the Territories is yet sparse; that the rapid increase in population now taking place will in a short time alter the conditions to be dealt with very materially; and that there is a considerable divergence of opinion respecting the question whether there should be one province only or more than one province.'

Upon these grounds, you stated last year, as the opinion of the Dominion government, that you did not deem it necessary to discuss the details of the draft bill presented by me as embodying the views of the government of the Territories upon this subject. I presume that it is not necessary for me to elaborate an argument to you in support of our main theme that the time is ripe for a change in the constitutional position of the Territories. Just one year before writing the letter quoted above, and nearly two years before the present time of writing, you informed me, in a letter dated at Ottawa on March 21, 1901, that you realized—

. . . very fully the difficulties of the position in which the government and the legislative assembly of the North-west Territories is placed; . . . 'and you admitted then—

that there is very much in the suggestions which are made in your letter and in the memorial regarding the necessity for a change in the constitutional and financial position of the Territories.'

In the same letter—written two years ago—you informed me that, without committing yourself to any positive statement, you were—

. . . prepared to say that the time has arrived when the question of organizing the Territories on the provincial basis ought to be the subject of full consideration.'

It is true that you arranged and brought about a conference between a committee of the Privy Council and members of the Territorial government, but no one can be more familiar than yourself with the reasons which led the Dominion government to adopt the position set forth in your letter of March 27 last. What those reasons were in full does not yet openly appear, and I feel it incumbent upon me to say that, in view of all the conversations and correspondence had upon this subject, in view of the official negotiations held, upon request, as a result of those conversations and that correspondence, and also in view of the circumstances surrounding the whole of the questions involved, I have been forced to the conclusion that those reasons which the Dominion government has not yet seen fit to place before the Territorial government and legislature must have been more cogent than those set forth in your letter of last

March. For take these reasons seriatim. First, 'the fact that the population of the Territories is yet sparse.' It is to that fact that we owe in large measure our present financial disabilities. It is to the second reason given, namely, 'the rapid increase in population,' and the consequent and continuous material alteration in our conditions, that our administrative difficulties are due, while that same rapid increase has a very direct influence upon our financial needs, not the least of which is the necessity for some other provision for expenditure upon matters properly chargeable to 'capital' account than by taking the money required from current revenue.

There is nothing new in these statements. They have, supported by details more or less full, been laid before you each successive year since your accession to office, as reasons for asking the Federal government to take such measures as are calculated to afford relief from the intolerable position in which we are placed, and it comes as a surprise to us to find the reasons we have advanced to you for so many years in succession to support our claim to fair and just treatment put forward as 'some of the reasons' for the refusal of the Dominion government to even take our claims into consideration.

The last reason advanced in your letter for the government's inaction, that, namely, 'there is a considerable divergence of opinion respecting the question whether there should be one province only or more than one province,' has been very definitely answered by the people of the Territories. With my proposition to the government having been disseminated in every possible way through the length and breadth of the country beforehand, the people of the Territories elected representatives to a new legislature on May 21 last. In my address to my own constituents, which was reproduced, I believe, in every newspaper published in the West, I said:—

'At the present time the government of the Territories is engaged in negotiations with the Dominion government leading to the establishment of a part of the Territories upon the provincial basis. Apart from all other considerations, financial necessity has forced this question to the front. A rapidly increasing population has caused the present revenues of the Territories to become totally inadequate to meet the public demands, and in the opinion of the government the only solution of the difficulties being met with is to be found in the larger powers and income which go with the provincial status upon proper terms. Larger powers, it is true, mean larger responsibilities, but these same larger powers will carry with them the ability to discharge any duty that can be placed upon the people of the west.

'The government has presented to the Federal authorities the claims of the people of the Territories in a document which has been published and is being very widely distributed. In that document the Territorial government has expressed its opinion in favour of the organization of one province only. Action upon the whole question has been postponed by the Dominion government, principally upon the ground that there is a 'divergence of opinion respecting the question whether there should be one province only or more than one province'—a question which in the last resort is one for the Dominion government to settle. The opinion of the Territorial government is based upon the fact that in the past one government and one legislature have found no difficulty in conducting the affairs of the country other than such as arose from the inadequacy of the revenue, and it is not anticipated that any difficulty which cannot be met will arise in the future. There is a widespread and well founded opinion existing throughout Canada against what has been called 'over-government,' or 'multiplicity of governments,' and there appears to be no substantial reason for the formation of more than one province in the Territories at the present time. Much less is there any reason for considering that other proposition which has been made on the part of the province of Manitoba, namely, the division of the people of the Territories by including within the limits of that province a considerable portion of the present district of Assiniboia, for the whole sentiment of the people concerned is against that proposal. Upon this phase of the question, at least, there is no divergence of opinion. Even should there be any material divergence of opinion in the Territories on the one or

more province question—and there undoubtedly is some—the result of the election can only demonstrate and accentuate the fact. The Territorial government, however, has indicated to the Federal government what it believes to be the opinion held by a very large majority of the people of the Territories as promising to be in the best interests of the country as a whole. Whilst this is so, it is at the same time to be clearly understood that though the government's opinion has been formed after careful consideration of all the facts before it, such is its strong conviction that provincial establishment upon the general terms proposed is imperatively required, and at the earliest possible date, that it does not consider the question of one or more provinces to be of paramount importance in view of the magnitude of the other questions involved. These questions deal with the things which the government on behalf of the people of the Territories has claimed must of right belong to any province established in the west, and which were practically unanimously approved by the legislature at its last session, they are briefly:—

- '(1) Equal rights with all the other provinces of the Dominion, and the same financial consideration that has been given to those provinces;
 - '(2) Control of the public domain in the west, by the west, and for the west;
- '(3) Compensation for the alienation of any part of the public domain for purely federal purposes, and
- '(4) the removal of the unjust and onerous Canadian Pacific Railway exemption from taxation.
- 'These are the matters that the government of the Territories is now fighting for, and these are the matters upon which your judgment is invited in my appeal to you for re-election as your representative in the legislature. A similar appeal is being made in every constituency in the country by every candidate whose election will give support to the government at this critical period in the history of the Territories. The issue is plain, and it is for the people of the Territories to decide.'

On the question of the establishment of the provincial institutions in the west, the assembly, in May, 1900, was unanimous, and the result of the elections in May, 1902, demonstrated definitely that the assembly clearly represented public opinion throughout the Territories upon that subject. As I stated in my address, 'the issue is plain;' I do not know how it could have been made plainer. The people have decided, and their decision is found in the fact that not only am I offered the support of a greater proportion of the members of the House than I ever had before, but also that 24 out of the 25 members of the last House who sought re-election (and who all voted 'yea' on the resolution of May 2, 1900) were returned at the top of the polls in their respective districts. I may also say that the result of the election has justified my statement that it could only demonstrate and accentuate the fact that there undoubtedly is some divergence of opinion in the Territories upon the one or more province question. There are probably a few members of the new legislature who support the view of two provinces, but they are not united as to the manner in which the Territories should be divided. Annexation of any part of Manitoba has not a single advocate in the House, while an overwhelming majority of the constituencies has pronounced in favour of one province.

I will go further, and say that the people of the Territories practically unanimously voted for the establishment of the country upon the provincial basis. The manner in which that shall be done is, to again quote from my address, 'a question which in the last resort is one for the Dominion government to settle.' At the request of Sir Wilfrid Laurier, in my letter of December 7, 1901, I placed on record the views of the government of the Territories as to the matters which should receive consideration, and at the same time condensed those views in the form of a draft Bill. Since then, with a full knowledge of the facts, the people of the Territories have elected new representatives, a large majority of whom support and approve of those views. So that I am free to claim—as I do—that the people of the Territories have given their

answer to the statement, expressed on behalf of the Dominion government, that they are not united on the question of the provincial establishment. I have admitted that there are divergencies of opinion upon details of the question, as there are upon all questions in which any community is interested, but there is certainly no divergence of opinion upon the question of the establishment of provincial institutions in the Territories upon fair, just and equitable terms, analagous to those upon which the older provinces have been dealt with. We are seeking no favours—we but request that we be fairly dealt with. We have nothing new to lay before the government, nothing but what has already been stated, save only that the conditions are growing more intolerable, the financial stringency is more accentuated, and our constitutional inability to do anything to help ourselves still more marked. We claim—as we have always claimed—that our sparse population, as well as its present rapid increase, are factors in our public life urgently calling for the early attention of parliament, with a view to dealing adequately with our disabilities, and it has already been sufficiently demonstrated that there is no warrant for the belief that the people of the Territories are not sufficiently alive to their own well being as not to be practically a unit upon this question.

In a letter addressed to you on January 30, 1901, I said 'that financial embarrassments rather than constitutional aspirations' led us to request the full provincial powers. I might now say that we are driven by both reasons. Financial necessities have developed constitutional aspirations, but apart from the purely financial aspect of the case we demand that system of government under which we shall have as full opportunities for the exercise of our citizenship as our fellow-citizens in the provinces. The local government and legislature should have full and free scope of action left to them on many subjects which relate to the prosperity and happiness of the country, and the North-west will not be satisfied until this is granted.

This letter will be presented to you by Mr. Bulyea, and I have to earnestly ask that you will be so good as to afford him an opportunity to present to both yourself and Sir Wilfrid Laurier such supplementary remarks as may seem to him to be required to make clear the views of the government upon this—to the Territories—most momentous matter.

In conclusion, I would once more urge upon your consideration the questions involved in the whole subject of the future welfare of the Territories, in the hope that such consideration will result in the introduction of legislation dealing with these matters at the coming session of parliament.

F. W. G. HAULTAIN.

Ottawa, February 9, 1903.

The Honourable F. W. G. Haultain,
Premier, North-west Territories,
Regina, N.W.T.

I have the honour, by direction of the Right Honourable the Prime Minister, to acknowledge the receipt of your communication of February 3 instant, inclosing a memorandum supplementary to the printed statement submitted on December 7, 1901, relating to the establishment of provincial institutions in the North-west Territories, and beg to state that the same has been laid before the Council.

JOHN J. McGEE, Clerk of the Privy Council.

EXECUTIVE COUNCIL, REGINA, April 15, 1903.

The Right Honourable Sir Wilfrid Laurier, G.C.M.G., President Privy Council, Ottawa, Ont.

Dear Sir Wilfrid Laurier,—Shortly before Mr. Sifton left for England he wrote me a note saying that the sub-committee of Council, appointed to deal with Northwest affairs, had had a final meeting, and that I should hear from Mr. Fielding what the government intended to do.

When in Ottawa I pointed out to Mr. Sifton and to the sub-committee of Council that it was important that we should be made aware of the intentions of the government at as early a date as possible. The North-west legislature will meet on Thursday, as the session could not be postponed any longer, owing to the statutory necessity for meeting within one year of last session. We have not, as yet, heard from Mr. Fielding, and we shall be obliged to meet our legislature on Thursday next without having any idea at all as to the amount of money which will be available for legislative appropriation this year. May I ask you to see that we are informed as soon as possible of the result of our interview with you.

I am inclosing a copy of a letter, addressed to Mr. Sifton, for the information of the government, to which I referred in my interview with the sub-committee, and which, no doubt, you have already seen. It deals exclusively with the question of provincial institutions in the Territories; and I would again, on behalf of my colleagues,

earnestly ask your consideration of our request.

With regard to our vote, I might add to anything I have already said and written on the subject, that the immigration this season is even larger than any estimate previously formed, and that the necessities created by this large increase in our population will be greater than those indicated by me in my statement which was written at the request of the sub-committee, and addressed to Mr. Sifton on the twenty-first day of February last.

I would also, in Mr. Sifton's absence, ask for your particular attention to our request for a vote supplementary to the vote for the current year. Whatever amount the government may decide to give us for the year beginning on the 1st July next, it will be quite inadequate for the purposes of the year for which it is voted, and will leave us, so far as the conditions of last year and the necessities for the first six months of this year, in a very awkward position. As I pointed out to the sub-committee, we were obliged last year, not only on account of the unexpectedly large increase in our population, but also on account of floods and other untoward conditions, to undertake the large amount of work—imperatively necessary at the time—on the credit of the small amount of money payable to us in the beginning of January, for the first six months of this year. Nothing but the most urgent necessity, I admit, could have justified this expenditure, but we are quite confident that the conditions of the past season were an absolute justification of our action.

These circumstances constitute the ground for our request, not only for a large increase to our grant for the coming Dominion fiscal year, but for a substantial supple-

mentary vote to meet the actual necessities of the present moment.

To sum up, I beg to ask for an early reply to our request: First, for the granting of provincial institutions to the Territories; secondly, for a vote supplementary to the North-west grant for the current year; and thirdly, for a largely increased vote for the year 1903-1904.

Yours faithfully, F. W. G. HAULTAIN.

(Telegram.)

REGINA, April 17, 1903.

Hon. W. S. Fielding, Ottawa.

Supplementary vote quite satisfactory if made supplementary to current year. Other propositions absolutely unsatisfactory in method and amount. Conditions here require large increase to annual grant for coming Dominion fiscal year apart from question of capital advance, for which we have made no request. In case capital advance is made unrestricted disposal by local legislature must be allowed, and we should strongly protest against any part of cost of replacing Macleod and Lethbridge bridges, both federal undertakings, being charged. Writing.

F. W. G. HAULTAIN.

OTTAWA, June 8, 1903.

The Hon. F. W. G. HAULTAIN,

President of the Executive Council,

Regina, N.W.T.

I have the honour to acknowledge the receipt of your letter of the 2nd instant. The Minister of Finance has by this time communicated with you respecting the

financiarl grant to be given to the North-west legislature.

With regard to your further request that legislation be introduced this session conferring on the Territories full provincial organization, I have had the honour to discuss the matter with the members of the House of Commons from the Territories. I have asked them to consider whether it would be advisable to have such legislation introduced this year. We are, as you know, introducing a Redistribution measure at the present session, and we are giving to the Territories a much larger representation in the House of Commons than they would be entitled to were they to become organized at once as a province. In fact, the Bill which we have introduced allows to the Territories a representation in the House of Commons of ten members. Were they to be admitted at once as a province they would be entitled to only six members. It would be a question of extreme difficulty and complications to give to the Territories at the same time all the advantages of full provincial organization, without the corresponding disadvantages.

WILFRID LAURIER.